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Security Council

Fifty-eighth year

Provisional

4782nd meeting

Thursday, 3 July 2003, 10 a.m.

New York

President:	Mr. Arias	(Spain)
Members:	Angola	Mr. Lucas
	Bulgaria	Mr. Raytchev
	Cameroon	Mr. Tidjani
	Chile	Mr. Muñoz
	China	Mr. Zhang Yishan
	France	Mrs. D'Achon
	Germany	Mr. Pleuger
	Guinea	Mr. Boubacar Diallo
	Mexico	Mr. Pujalte
	Pakistan	Mr. Khalid
	Russian Federation	Mr. Gatilov
	Syrian Arab Republic	Mr. Mekdad
	United Kingdom of Great Britain and Northern Ireland	Mr. King
	United States of America	Mr. Cunningham

Agenda

Security Council resolutions 1160 (1998), 1199 (1998), 1203 (1998), 1239 (1999) and 1244 (1999)

Report of the Secretary-General on the United Nations Interim Administration Mission in Kosovo (S/2003/675)

This record contains the text of speeches delivered in English and of the interpretation of speeches delivered in the other languages. The final text will be printed in the *Official Records of the Security Council*. Corrections should be submitted to the original languages only. They should be incorporated in a copy of the record and sent under the signature of a member of the delegation concerned to the Chief of the Verbatim Reporting Service, room C-154A.

03-41596 (E)

The meeting was called to order at 10.10 a.m.

Expression of thanks to the retiring President

The President (*spoke in Spanish*): I should like to start by thanking Ambassador Sergey Lavrov for his service as President of the Security Council for the month of June 2003. I am sure I speak for all members of the Council in expressing my deep appreciation to Ambassador Lavrov for the great diplomatic skill with which he conducted the Council's business last month. I also express my thanks to his team.

Adoption of the agenda

The agenda was adopted.

Security Council resolutions 1160 (1998), 1199 (1998), 1203 (1998), 1239 (1999) and 1244 (1999)

Report of the Secretary-General on the United Nations Interim Administration Mission in Kosovo (S/2003/675)

The President (*spoke in Spanish*): I should like to inform the Council that I have received letters from the representatives of Albania, Italy, Japan and Serbia and Montenegro, in which they request to be invited to participate in the discussion of the item on the Council's agenda. In conformity with the usual practice, I propose, with the consent of the Council, to invite those representatives to participate in the discussion, without the right to vote, in accordance with the relevant provisions of the Charter and rule 37 of the Council's provisional rules of procedure.

There being no objection, it is so decided.

At the invitation of the President, Mr. Šahović (Serbia and Montenegro) took a seat at the Council table; Mr. Nesho (Albania), Mr. Spatafora (Italy) and Mr. Haraguchi (Japan) took the seats reserved for them at the side of the Council Chamber.

The President (*spoke in Spanish*): In accordance with the understanding reached in the Council's prior consultations, and in the absence of objection, I shall take it that the Security Council agrees to extend an invitation under rule 39 of its provisional rules of procedure to Mr. Michael Steiner, Special Representative of the Secretary-General for Kosovo and Head of the United Nations Interim Administration Mission in Kosovo.

There being no objection, it is so decided.

I invite Mr. Steiner to take a seat at the Council table.

The Security Council will now begin its consideration of the item on its agenda. The Security Council is meeting in accordance with the understanding reached in its prior consultations. Members of the Council have before them document S/2003/675, which contains the report of the Secretary-General on the United Nations Interim Administration Mission in Kosovo.

At this meeting, the Security Council will hear a briefing by Mr. Michael Steiner, Special Representative of the Secretary-General for Kosovo and Head of the United Nations Interim Administration in Kosovo.

As this is the last briefing of Mr. Steiner in his capacity as Special Representative of the Secretary-General for Kosovo and Head of the United Nations Interim Administration in Kosovo, I wish to take this opportunity to convey to him, on behalf of the Council, a few words of tribute and farewell. In particular, I wish to convey the deep gratitude of the entire Security Council — and mine in particular — for the continuous and tireless efforts that he has made over the last year at the head of one of the most ambitious and complex missions deployed by the United Nations. Everyone here knows that his work has not at all been easy. However, he has accomplished substantial progress, which we appreciate. Four years ago, few would have imagined that he would accomplish such significant results. Nonetheless, much remains to be done in this enormous task, which must culminate in the full integration of the entire region into Europe.

Without doubt, we will miss Mr. Steiner's presence among us, with his dedication, his unflagging interest and his hard work in implementing resolution 1244 (1999). I understand that Mr. Steiner will take up the post of Permanent Representative of Germany to the United Nations Office in Geneva, an assignment that will allow him to remain a part of the United Nations family. I therefore wish him great success in his new endeavours, and I reiterate the profound appreciation and thanks of the Security Council for his service.

I now give the floor to Mr. Steiner, Special Representative of the Secretary-General for Kosovo and Head of the United Nations Interim Administration in Kosovo.

Mr. Steiner: I thank you, Mr. President, specifically for your warm words. Next week I will leave Kosovo. When I arrived a year and a half ago, there was no Government, despite successful general elections. There were 153 prisoners from the war still being held in Serbia. In the northern part of Mitrovica, there was a legal vacuum and turbulence. More members of minority communities were leaving Kosovo than were returning. Pristina and Belgrade did not talk.

Since then, we have put together a multi-ethnic Government. We brought back the prisoners. Mitrovica is still not a normal European town, but we installed the United Nations Interim Administration Mission in Kosovo (UNMIK) administration in the northern part, where there are now regular police patrols. We reversed the negative trend in returns. And both parties have said that they are now ready for direct dialogue.

We have moved forward to establish the framework for future progress. That framework is embodied in the eight benchmark standards covering the cornerstones of any functional democratic society. Council members have seen the Secretary-General's latest report (S/2003/675), which details Kosovo's performance against each of the standards.

We have explained and fostered public support for the standards through television, radio and roundtable discussions throughout Kosovo. UNMIK's new Strategy Coordinator will present my successor with a plan to further operationalize those eight standards. The European Commission's Tracking Mechanism affirms that the standards also pave the road to Europe.

Huge challenges remain. But, with a number of new developments that I will describe, the groundwork for Kosovo's future progress has now been laid.

Let us review Kosovo's progress towards the standards.

First, with regard to functioning democratic institutions, the Provisional Government and Kosovo's other Institutions are not perfect, but they are functioning and they are learning. The Kosovo Serb members participate in the work of the Assembly. Eighteen laws of the Assembly have now been put into force, and we have an orderly process for completing the transfer of non-reserved responsibilities to the Government by the end of the year.

At the same time, the Provisional Institutions continue to push the limits of their competencies. The Assembly does not always respect the rights of minorities. We must, of course, ensure compliance with resolution 1244 (1999) and the Constitutional Framework.

Regarding the rule of law, we have built a multi-ethnic judiciary and a police force of 5,407 officers from scratch. The UNMIK Police cooperate with their counterparts in Belgrade, Skopje and Tirana. Our record on crime is already better than many believe. There were about 500 murders between June and December of 1999. About 150 victims were Serb. In 2002, the number fell to 68, six of them Serbs. It was UNMIK that supplied the evidence and witnesses that convicted the German former head of Kosovo's electricity company on corruption charges. That demonstrated to people in Kosovo that when we say "zero tolerance for corruption", we mean everyone.

Equipped with new technical and legal instruments to use covert measures, the Kosovo Organized Crime Bureau has mapped out the structures of Kosovo's underworld. The judiciary, too, has been active against organized crime. Notorious criminals have been convicted and major trials are ongoing. When a high-profile Kosovo Albanian was indicted by the International Tribunal for the Former Yugoslavia, he publicly declared his readiness to go to The Hague voluntarily.

Without prejudging the outcome, the police are doing all they can to catch those who perpetrated the heinous triple murder of a Serb family in Obilic. All key leaders of Kosovo condemned that crime.

I turn to the economy. Most Kosovans rank that as their number one concern, and they are right to do so. Unemployment is running at 57 per cent. But we have laid the groundwork for a sustainable economy in the future. The euro provides monetary stability. That has been a huge success which has allowed us to create an effective banking system. A billion marks previously saved under mattresses are now saved as 500 million euro in banks, where they are available for making loans.

Kosovo has a balanced budget that relies on a functioning revenue collection service. We have a modern legal framework in place to protect investment and foster a market economy with laws on everything from contracts to bankruptcy. Crucially, we have launched the privatization process with the tendering of the first socially owned enterprises.

But what we need now is investor confidence. That will come only with a functioning society based on the rule of law. That is what the standards are about.

Regarding multi-ethnicity and returns, to date we have had over 7,000 returns of displaced persons. There have been about 1,100 since March of this year. Yes, that number is still far too small. But the Framework for Returns, based on a bottom-up approach, is now in place.

Multi-ethnicity has been gradually improving. Members of the minority communities represent 15 per cent of the Kosovo Police Service, which constitutes positive discrimination. Half of the new officers of the Police school's most recent graduating class are Kosovo Serbs. Serbian can be heard in the streets of Pristina and Prizren. On the night of the Summer Solstice, hundreds of young people from both sides of the river in Mitrovica participated in a techno party on the town's famous bridge.

Yet, a lot more work is required for Kosovo to become a truly multi-ethnic society. The slowness of returns and integration remain our most serious shortcomings. I am therefore delighted to inform the Council about an open appeal published in Pristina yesterday in the Albanian, Serbian and English languages and signed by all non-Serb leaders of Kosovo. The appeal urges the refugees and displaced persons in Serbia, Montenegro and the former Yugoslav Republic of Macedonia to return to Kosovo now. It states:

> "It is time for you to come home ... We do not 'invite' you to come back to your home, because Kosovo is your home, and you have the right to live here in peace. Kosovo is your home, just as it is our home; we want, and work for, you to come back to live in peace with us as neighbors, in a spirit of mutual respect. It is truly time to put the past behind us and to move on.
>
> "We are ready and willing to provide for your needs in health, public services and education, on an equal basis with all the other people of Kosovo. We cannot offer more than that, but what we are able to offer, we do with sincerity."

That is exactly the sort of concrete commitment by leaders that we have worked for to reassure displaced persons. Kosovo does not belong to Albanians or to Serbs or to any other ethnic group. Kosovo belongs to all its peoples. Internalizing that fact is key to Kosovo's future.

I will speak of centrifugal forces, for despite the progress we have made, the rhetoric has become more adversarial. Both sides are pre-positioning themselves on future status.

In Pristina, Kosovo Albanians try to infringe on reserved powers, and they continue to push for rapid independence. Belgrade continues to support parallel structures with money hidden under car seats, and it obstructs freedom of movement by refusing to recognize United Nations number plates for Kosovo. Some knowingly paint an entirely bleak picture of the realities in Kosovo, effectively discouraging returns.

Leaders on both sides need to foster confidence. If leaders are not leading their constituents forward, they are leading them backward. For our part, we must stay the course — not despite the criticism coming from both sides, but because of it.

By keeping our eyes on the road ahead, we have accomplished many things with regard to Kosovo's European future. But one standard on which progress long eluded us was direct dialogue with Belgrade on practical issues.

Thessaloniki changed that. I had three goals for the EU-Western Balkans Summit in Thessaloniki: first, a further step towards the EU; secondly, to bring a multi-ethnic delegation; and thirdly, to put direct dialogue between Pristina and Belgrade on practical issues — the seventh benchmark — on the right road. So what was achieved?

First, in the words of European Commission President Prodi, integration of the Balkans, including Kosovo, into the European Union "is now irreversible". Secondly, my delegation was multi-ethnic. Thirdly, direct dialogue on practical issues was put on track — the very dialogue requested by the Security Council mission after it visited Kosovo last December. Despite all the rhetoric, the dialogue will now come.

What UNMIK has been doing in Kosovo is something new, and we are still learning. Bosnia, Afghanistan and Iraq all demonstrate how difficult it is to win the peace, to build functioning institutions and to start up the economy. Kosovo has the added burden of its unresolved political status. This is now coming slowly to the fore. No one should be surprised by this.

What is more surprising is how far we have come, and from how far people have come to help get us to where we are. Men and women from 119 countries serve in UNMIK. KFOR, whose contribution in providing a safe and secure environment is the essential basis of all our work, itself draws forces from 37 countries. As the Russian contingent is leaving, I thank them for four years of professional service.

Kosovo is now moving towards the standards that will define its place in Europe. Who could have imagined a year and a half ago that the European Union would say that Kosovo was destined to be part of the EU? Who would have thought that the President, the Prime Minister and the Kosovo Serb Interministerial Coordinator for Returns would have been welcomed together as part of the UNMIK delegation at an EU summit?

Who would have thought that the President of the former Yugoslav Republic of Macedonia would invite President Rugova to be part of an UNMIK delegation visiting Skopje? Who would have thought that we would put Pristina on track for direct dialogue with Belgrade?

Who would have imagined, a year and a half ago, all the leaders of Kosovo's majority community formally urging all displaced persons to return to Kosovo now?

My successor inherits many challenges. He or she also inherits a team of dedicated and talented people. It has been a pleasure and a privilege to lead this team in such a unique United Nations mission, and an honour to serve the people of Kosovo. The next Special Representative of the Secretary-General and all the staff of UNMIK will need the Council's continuing support. In the meantime, I leave the mission in Charles Brayshaw's capable hands.

Much remains to be done to complete Kosovo's transformation into a society in which all its people can live in security and in dignity. But with the help of thousands of men and women from all communities in Kosovo and from most countries in the world, I leave behind a solid foundation.

From the oppression, humiliation and tragedy of 1999, Kosovo has embarked on the road towards a liberated, functioning, democratic society. Participation for all has not yet been achieved. The dream has not yet been realized, but the groundwork has been laid.

Mr. Raytchev (Bulgaria): Allow me first of all, Mr. President, to thank you for having convened this important meeting of the Council on the situation in Kosovo. I should like also to thank the Special Representative of the Secretary-General and head of the United Nations Interim Administration Mission in Kosovo (UNMIK), Mr. Michael Steiner, for his comprehensive briefing and to extend our gratitude to him for the work he has done with respect to the implementation of resolution 1244 (1999).

Bulgaria, as an associated country, fully supports that statement that will be made later in the debate by the representative of Italy on behalf of the European Union (EU). I shall therefore limit myself to only a few brief comments in my national capacity.

The report of the Secretary-General of 26 June 2003 accurately reflects the results of the efforts of the international community and the constructive political factors in Kosovo aimed at bringing life in the region back to normal, four years after the adoption of resolution 1244 (1999).

Bulgaria fully supports the process of transferring responsibilities under chapter 5 of the Constitutional Framework from UNMIK to the Provisional Institutions of Self-Government, and the role of the Transfer Council. We are confident that the work of the Council will proceed in a planned manner, which will contribute to implementing the "standards before status" policy on the basis of the benchmarks.

We consider, therefore, that the development and implementation of a feasible, transparent and acceptable plan for all parties is of key importance for the success of the process.

We believe that the establishment of a functioning administration and central and local institutions in Kosovo is of key importance for the implementation of responsibilities transferred under chapter 5. Therefore, this process should be accelerated. Without an administration that is multi-ethnic in its composition and without functioning institutions, the transfer

process could be slowed down, with all ensuing consequences.

Bulgaria is concerned over the ongoing inter-ethnic violence and lack of tolerance, which impede the reconciliation process among the different ethnic communities and the return of refugees and displaced persons to their native regions.

In this context, we consider that the international community should show, in a categorical way, all local inhabitants — irrespective of their status or position in society — that such behaviour, or its instigation, is absolutely unacceptable.

We support the efforts of the international community to combat organized crime and trafficking in human beings. We welcome the readiness voiced by Belgrade and Pristina to take steps towards a meaningful, direct dialogue, with the decisive assistance of the international community. We believe that this dialogue will speed up the process of finding mutually acceptable solutions, which at the same time will have a positive impact on the whole region.

Bulgaria considers that during the forthcoming period, the efforts of the international community and of local actors in Kosovo should be focused on achieving tangible progress towards bringing life in the region back to normal, based on the "standards before status" policy and the implementation of resolution 1244 (1999).

In conclusion, I should like once again to express our deep appreciation to Michael Steiner for his contribution to United Nations endeavours in Kosovo and to the progress achieved so far. We wish him well and every success in all his future endeavours. Our appreciation goes also to all the personnel of UNMIK for their commitment and professionalism in carrying out their duties.

Mr. Diallo (Guinea) (*spoke in French*): I should like at the outset to convey to you, Sir, my delegation's congratulations on your assumption of the presidency of the Security Council and to assure you of our full support. Allow me likewise to thank your predecessor, Ambassador Lavrov, and his team for their outstanding work during the Russian presidency.

Allow me also to thank Mr. Michael Steiner for his statement and to pay him a well-deserved tribute for the results he achieved at the head of the United Nations Interim Administration Mission in Kosovo (UNMIK).

In the light of the report before us, my delegation notes with satisfaction the progress that has been achieved in the functioning of democratic institutions, particularly in the context of the transfer of responsibilities from UNMIK to the Provisional Institutions, the creation of the Transfer Council and the work done by the Assembly of Kosovo.

We welcome the cooperation among the Provisional Institutions, on the one hand, and between the Provisional Institutions and UNMIK, on the other. We urge them to contribute further to reconciliation by avoiding any action likely to deepen divisions. We encourage the Council of Europe in its development of the plan for local self-government reform and appeal to the Kosovo authorities to implement the Community Proportional Representation plan.

While taking note of the efforts under way to establish the rule of law, of which the falling crime rate is an example, we believe that the enhancement of security and justice capacities must continue. In this respect, we welcome the building of working relationships between the UNMIK Police and its Serbian counterparts pursuant to the Protocol on Police Cooperation signed on 31 May 2002. We also welcome the cooperation with the Former Yugoslav Republic of Macedonia and Albania in the fight against terrorism and extremism.

With regard to freedom of movement, my delegation appreciates the initiatives already undertaken and wishes to underscore the need to foster a psychology of mutual acceptance among the various communities. My delegation notes with satisfaction the ever-growing returns of minorities — the number of which, at this point in the year, is higher than the total registered in 2002 — and we remain convinced of the importance of expanding and coordinating this process. The appeal made yesterday by the non-Serb Kosovo leaders, as indicated earlier by Mr. Steiner, is a source of hope. To that end, the greater involvement of key leaders with a view to consolidating this trend is essential.

Moreover, we are pleased to note the adoption of encouraging economic measures, which, however, must be pursued taking into account the interests of all Kosovars and the goal of stabilizing the region.

With regard to property rights, we are of the view that vigorous action must be taken to put an end to illegal occupations.

My delegation has always urged the establishment of direct dialogue between Belgrade and Pristina and welcomes the opening of contacts at the operational level. We hope that the establishment of the United Nations Office in Belgrade will contribute to promoting that dialogue at the highest level.

With regard to the grave suspicions weighing upon certain members of the Kosovo Protection Corps said to be involved in terrorist, illegal and criminal activities, my delegation looks forward with interest to the results of the current investigations. Moreover, we support the process of integrating minorities into the Corps.

The downsizing strategy being considered by UNMIK also deserves our attention.

In conclusion, my delegation, while supporting the Secretary-General's observations, wishes to stress that the building of a better Kosovo, while relying on the support of the international community, ultimately depends on the determination and commitment of the Kosovars themselves.

Mr. Pleuger (Germany): As I did not take the floor yesterday, I would like to wish you well, Sir, in your presidency this month and also to thank Ambassador Lavrov and his whole team for the way he conducted the business of our Council last month.

I also want to associate myself with the statement that will later be made by the Italian Presidency of the European Union.

First of all, I would like to thank Michael Steiner for his last briefing on Kosovo to the Security Council in his capacity as Special Representative of the Secretary-General. His departure is, I feel, the occasion to take stock of the developments and achievements in Kosovo. Indeed, looking back over the past year and a half, we note that Kosovo has made remarkable progress, which sometimes we tend to lose sight of in dealing with day-to-day problems.

When Michael Steiner arrived in Pristina, he was confronted with a situation in which, three months after the parliamentary elections, politicians were haggling over setting up a coalition Government. Michael Steiner, with his known determination and resolve, plunged ahead, facilitated the formation of a Government, kick-started the institutions, brought back home the last political prisoners from Serbia, set up the benchmark catalogue and created the policy of "standards before status" that is still the guiding political principle for the time being.

Today, the full set of institutions required for substantial autonomy and self-government, including the justice and police systems, is in place. However, a lot of issues still evade resolution. Many of today's problems are due to a serious and worrying lack of political maturity, democratic behaviour, compromise and respect for minorities on the part of local society and political representatives. One may hold the United Nations Interim Administration Mission in Kosovo accountable for failures, but never for a lack of good faith in the course of creating a multi-ethnic and democratic Kosovo. Kosovo could be much more advanced if it were not for a political class that pursues its own interest, widely ignoring the wishes and the common interests of the ordinary people.

It is essential that the Provisional Institutions of Self-Government in Kosovo meet the benchmarks set out by the Special Representative and that they advance legislation and develop policies for all Kosovars in order to promote the economy and the development of social policies, with particular focus on the situation of Kosovo's minorities.

This week, as mentioned by Michael Steiner, has seen a hopeful political sign — the unprecedented appeal by Kosovo's non-Serb leaders to the internally displaced persons in an open letter to the displaced residents of Kosovo in Serbia, Montenegro and Macedonia. We consider this appeal to be an expression of political responsibility and maturity. We consider the confirmation of Kosovo as a rightful home for the displaced to be a binding commitment and we hope that this appeal will become a milestone in the matter of returns and integration.

What are the immediate next steps? We call on Belgrade and Pristina to start a direct dialogue on practical issues, possibly before the summer break. The beginning of dialogue should lead to a process of various parallel discussions at the expert level, and this dialogue should not be delayed.

There is no easy and effortless way to achieve the benchmarks of a modern society for European integration. Kosovo will face a difficult process of

further reforms and transformation. Michael Steiner dodged no efforts to bring the process forward; neither will his successor, whom we hope will be appointed soon.

In conclusion, I would like to thank Mr. Steiner again for his tenure and for the outstanding service he has done.

Mr. Gatilov (Russian Federation) (*spoke in Russian*): Allow me at the outset to thank you, Sir, and the other delegations for the warm words addressed to Ambassador Lavrov in connection with the Russian presidency of the Security Council last month and to wish you, Sir, and the entire Spanish delegation success in guiding the Council's work in July.

We thank the Secretary-General for his report on the activities of the United Nations Interim Administration Mission in Kosovo (UNMIK) and the head of the Mission, Mr. Steiner, for his substantive briefing on the situation in the region. Its assessments largely correspond to our view of the processes under way in the region, which we stated in considerable detail during the comprehensive consideration of the situation in Kosovo at the Security Council meeting on 10 June.

We noted at that time, and are ready to reaffirm today, that, in the four years since the adoption of resolution 1244 (1999), enormous efforts and considerable progress have been made towards a settlement. We note the significant contribution to this process of the Special Representative of the Secretary-General, Mr. Steiner.

At the same time, we fully share the concern — expressed in the report of the Secretary-General (S/2003/675) and in Mr. Steiner's briefing — that, despite the progress made in ensuring substantive autonomy and self-government for Kosovo, as provided for by Security Council resolution 1244 (1999), many important issues remain unresolved. Those include serious problems related to ensuring adequate representation for minorities — first and foremost the Serb minority — in the structures of the region's Provisional Institutions of Self-Government.

Despite a general decline in the crime rate, serious incidents continue to take place that involve the use of violence, including ethnically motivated incidents. There has still been a failure to identify, and hence bring to justice, the individuals responsible for the brutal 4 June murder of a Serb family in Obilic. It should be noted that even the limited progress achieved with regard to the situation of minorities and to support for the process of returning non-Albanian refugees to the region — which was noted in the report and in Mr. Steiner's briefing — was achieved largely as a result of the international community's unceasing pressure on the regional Institutions of Self-Government.

The Albanian political leaders have yet to demonstrate the initiative that all of us have every right to expect from them. Indeed, we continue to see that, despite a declared commitment to multi-ethnicity, the regional Institutions of Self-Government in fact very often ignore the interests of minorities. Like other Security Council members, we are convinced that, without a radical improvement in the situation involving these issues, the dream of building a multi-ethnic society in Kosovo will continue to be deferred, giving rise to unfounded aspirations on the part of the extremist forces remaining in the region and creating fertile ground for continued violence.

We are grateful to Mr. Steiner for his assessment of the Russian military contingent's activities among the forces in Kosovo. At the same time, we must regretfully take note of the destructive role of individual Kosovo mass media outlets in the establishment in the region of an atmosphere of intolerance and slanderous hostility towards, inter alia, those who in fact have promoted the restoration of normal life in the region. A number of Albanian-language newspapers recently attempted to unleash an anti-Russian campaign coinciding with the withdrawal of our military contingent from Kosovo's territory.

In that connection, we support the establishment in the region of the independent Temporary Media Commission to regulate mass media activities. Indeed, we believe that the Special Representative of the Secretary-General could play an active role in that sphere. Here, of course, we are not speaking of censorship, but only of an ability to affect the political processes in society in order to ensure the fuller implementation of resolution 1244 (1999) and the establishment of favourable conditions for achieving the objectives of the Kosovo settlement.

We call on UNMIK to take a more active and consistent stand in order to counteract the growth of radical tendencies in the region and to assert the rule of

law there. Because of a lack of progress in those areas, there have also been serious delays in establishing a substantive dialogue between Belgrade and Pristina.

In addition, we take note of a positive achievement: the recently reported readiness of the Serb and Kosovo representatives to begin a dialogue on specific practical issues. We reaffirm our support for the "standards before status" concept, which Mr. Steiner actively supports. The process of transferring non-reserved competencies to the region's Provisional Institutions of Self-Government must be carried out in strict compliance with resolution 1244 (1999), and its pace must be dictated by the effectiveness of the work of the Provisional Institutions in the areas in which they have already received the competencies they need. Here, we believe that UNMIK must continue to take a consistent stand, excluding attempts by Albanian extremists to use the Provisional Institutions of Self-Government to achieve their own political goals and to transform Kosovo into an independent quasi-State entity.

In conclusion, Mr. President, I should like to associate myself with the gratitude expressed in the report of the Secretary-General, and in your own assessment at the beginning of today's meeting, and to express our gratitude to Mr. Steiner for his contribution to United Nations efforts aimed at a settlement of the situation in Kosovo.

Mr. Muñoz (Chile) (*spoke in Spanish*): At the outset, we congratulate you, Sir, and express our confidence in your presidency. Our thanks go to Ambassador Lavrov and his team for their excellent work in guiding the work of the Security Council last month.

We thank Mr. Michael Steiner, Special Representative of the Secretary-General, for his briefing on the situation in Kosovo. We especially value the efforts and professionalism shown by Mr. Steiner and his team during his term at the head of the United Nations Interim Administration Mission in Kosovo (UNMIK), in which Chile has the honour to participate. We wish him every success in his future endeavours.

After reviewing the report of the Secretary-General (S/2003/675) and listening to Mr. Steiner, we should like to hail the significant progress made in achieving a substantial degree of autonomy during the period in question. At the institutional level, we must recognize the gradual transfer of non-reserved competencies in conformity with chapter 5 of the Constitutional Framework, and the work of the Transfer Council. Also noteworthy is the increase — albeit slight — in the average number of policy decisions adopted per month by the Government of Kosovo compared to the first three months of 2003, the significant increase in the proportion of those having legal implications and the progress in promulgating legislation with broad support. In addition, we welcome the Government's establishment of a Commission for Cooperation with the International Criminal Tribunal for the Former Yugoslavia.

Our support for UNMIK's work notwithstanding, we cannot fail to express our alarm at the violent incidents and crimes committed against minorities — for example, the horrible murders committed in Obilic on 4 June. All manifestations of ethnically motivated violence, harassment or discrimination run counter to achieving the goal of a multi-ethnic Kosovo and violate the spirit of resolution 1244 (1999). We appreciate the measures undertaken by UNMIK to find the perpetrators of those crimes and to bring them to justice.

Moreover, without significant and sustainable returns of internally displaced persons and refugees — and we welcome the progress made in that area — it will be impossible to build a multi-ethnic and democratic society in Kosovo capable of including all its inhabitants. Nor do we support the politicization of the civil servant hiring process in municipalities or the existence of parallel municipal structures, which violate the provisions of resolution 1244 (1999).

We must make every effort to overcome the difficulties affecting freedom of movement, particularly for Kosovo's Serb community. Furthermore, we must spare no effort to bring to justice those guilty of acts such as the explosion that occurred on 12 April on a railway bridge in Zvecan.

The future holds other challenges. One of them, for example, is to maintain and increase the level of efficiency of Kosovo civil servants in the light of the reduction in the number of international civil servants now in Kosovo.

Finally, we join in the appeal that other Council members have made to the parties to intensify the dialogue, because without a constructive dialogue between Belgrade and Pristina or between UNMIK and

the Kosovo Assembly, the achievement of concrete and tangible results with regard to overcoming the major challenges would be a distant prospect. Even worse, that would affect the most important objective: that all inhabitants of Kosovo be able to live in their homeland in dignity, freedom and safety.

Mrs. D'Achon (France) (*spoke in French*): The Italian Presidency of the European Union will speak later in the meeting on behalf of all of the Union's members and other partners.

I would like to echo the President in warmly thanking Mr. Michael Steiner for his final briefing to the Council, which he made this morning. I also wish to thank him for all his work as the Special Representative of the Secretary-General for Kosovo. We are certain that, thanks to his drive and his determined leadership of the United Nations Interim Administration Mission in Kosovo (UNMIK), the international community has made considerable progress towards the goal of establishing a secure and genuinely multi-ethnic, democratic and tolerant society in Kosovo, thus making possible the full implementation of the objectives of resolution 1244 (1999). The approach taken, and the procedure developed by, Mr. Steiner to define norms and benchmarks to be met by all actors in Kosovo merit particular praise.

Very real results have been achieved, in particular in the areas of establishing local Provisional Institutions of Self-Government, the gradual transfer of competencies to those institutions, respect for the rule of law, freedom of movement and economic development. All those results must be safeguarded, and determined efforts must continue to be made. We believe that the Provisional Institutions of Self-Government have a very specific responsibility to establish a climate conducive to implementing the objectives of the international community for the benefit of all of Kosovo's inhabitants.

Guaranteeing the rights of minorities and the establishment of a direct dialogue between Pristina and Belgrade on practical issues of mutual interest deserve particular attention. It will only be in that way that the transfer of non-reserved competencies will have a lasting and positive impact and that, in what we hope will be a calm environment, the issue of status can really begin to be addressed.

Mr. Pujalte (Mexico) (*spoke in Spanish*): I would like to congratulate you, Sir, on your assumption of the presidency of the Security Council. I am confident that the Spanish spirit will lead our efforts to success. Similarly, I would like to thank Ambassador Lavrov and his entire team for their work in guiding the Council's affairs in the month of June.

With regard to the matter before the Council, I would like to thank Mr. Michael Steiner for his introduction of the report of the Secretary-General (S/2003/675) and for the very interesting information he has given us today. I would merely like to make a few points that are of great importance to my delegation.

As we have stated on previous occasions, Mexico supports the process of transferring additional responsibilities to the Provisional Institutions of Self-Government of Kosovo. That process must be carried out gradually, always bearing in mind the capacity of the Provisional Institutions. Likewise, it is essential that the process be carried out in accordance with resolution 1244 (1999) and the Constitutional Framework.

The Provisional Institutions must be based on the principle of multi-ethnicity and a culture of intercommunal tolerance. The political leaders and elected representatives of all Kosovars, both of the minorities and of the Albanian majority, have a special responsibility to help ensure that Kosovo becomes a democratic, multi-ethnic and tolerant society in which the rule of law prevails. That means that the elected representatives of the Albanian majority in both the Provisional Institutions of Self-Government and the Kosovo Assembly, as well as municipal bodies, must vigorously and unequivocally condemn all ethnically motivated crimes and acts of violence. They must also stop putting forward legal initiatives that exceed the competencies conferred upon the Provisional Institutions, in particular drafts that run counter to reconciliation, as was the case with the resolution on "war values" that was adopted on 15 May. Likewise, representatives of minorities — in particular Serbs — should participate in the Provisional Institutions more actively and continuously. In that regard, it is important that they take part in the meetings of the Transfer Council.

The sustained return of displaced persons is another matter to which my delegation attaches great

importance. We welcome the fact that the number of minority displaced persons to return to Kosovo in the first five months of this year exceeded the total number of returnees last year. However, we know that the number is still very small as compared to the thousands of displaced persons who remain outside Kosovo, in particular Serbs. We therefore welcome the news given to us today by Mr. Steiner regarding the publication in Pristina yesterday of a public appeal addressed to refugees and displaced persons to return to Kosovo. That is the sort of measure that is most needed at the moment.

Safety and security are also important elements in the return of displaced persons. The lack of security, or at least the perception that exists in that regard, along with the lack of freedom of movement, continue to be serious obstacles to the return of displaced persons and to the ability of minorities in Kosovo to live normal lives. The murder of a family in the town of Obilic has fueled the perception of insecurity. My delegation trusts that the investigation of that case will be successful and that the crime will not go unpunished.

Of course, as the report that has just been introduced to us indicates, the economic factor is another essential element in achieving large-scale sustainable returns of displaced persons. As Mr. Steiner has pointed out, the economic situation is still the first concern of the population. It is therefore important that the Provisional Institutions support the process of return with concrete financing measures to be borne by the consolidated Kosovo budget.

My delegation also attaches great importance to the participation of women in political processes and in governmental structures. We are therefore also pleased to take note of the establishment of an Inter-Ministerial Working Group on Gender in Kosovo and of the high level of participation by women in the Provisional Institutions of Self-Government at the central level. It is important that this trend spread to all levels and that women from all communities take part.

With regard to the relationship between Belgrade and Pristina, we have taken note of the intention of both parties to initiate a dialogue on practical matters very soon, as was agreed at the Thessaloniki summit. That dialogue is fundamental to the Kosovo process. We therefore hope that it will not be delayed any longer.

As I stated before, we would like additional information about the privatization process, given the possible legal implications of legislation on the conversion of immovable property.

I would like to reiterate the support of my Government for the policy of "standards before status" as the only viable way to ensure that Kosovo becomes a democratic, multi-ethnic and tolerant society in which the rule of law prevails.

I would also like to reiterate our support and gratitude to the personnel of the United Nations Interim Administration Mission in Kosovo (UNMIK) for their professionalism and dedication. The Mission of Mexico expresses its special thanks to Mr. Steiner for the work that he has accomplished at the head of the Mission and wishes him every success in the next stage awaiting him in his professional career.

The President (*spoke in Spanish*): I thank the representative of Mexico for his kind words addressed to the presidency.

Mr. King (United Kingdom): The United Kingdom associates itself with the European Union statement to be given shortly by the Italian Ambassador. We welcome this opportunity to reiterate our support for Council resolution 1244 (1999) as the basis for the international community's policy on Kosovo.

Kosovo has come a long way since that resolution was passed in 1999. For the work that he has done in the past 18 months, Mr. Steiner deserves much credit and our thanks for putting down the strong foundations necessary to build a successful future for Kosovo. We have heard about the developments and achievements this morning. But in particular we would like to draw attention to Mr. Steiner's policy initiative of "standards before status", which has underpinned the international community's recent efforts. The United Kingdom firmly supports that policy and continues to believe that making the benchmarks operational is an important task that needs to be taken forward.

There is still work to do, as we have heard. The task ahead for the international community is to ensure that Kosovo's citizens and the authorities in both Pristina and Belgrade work together to build a future that really works — a future that reflects the democratic principles of tolerance and security for all. The international community will do all it can in

support, but the onus is also on those in the region to show the seriousness of their efforts to achieve those goals. In that respect, the United Kingdom particularly welcomes the open letter, quoted earlier by Mr. Steiner, to displaced residents of Kosovo, calling on those who have not yet returned to do so and to join the effort to make Kosovo safer and better for all. This, after all, is the goal that we all share.

Mr. Cunningham (United States of America): We welcome this opportunity to extend the gratitude of the United States and its thanks and appreciation to Special Representative Steiner for his leadership of the United Nations Mission in Kosovo over the past year and a half. The discussion today, Mr. Steiner's report and the comments of colleagues on the Council demonstrate very clearly the progress that has been made in the last year and a half, thanks to his efforts and the efforts of his colleagues in Kosovo. He is to be congratulated.

Of course, there is much left to do. Many of those items have already been cited in other statements: security, privatization, bringing in investment, getting the economy running, returns. All that is still on the agenda, but a good foundation for progress has been laid. The Provisional Institutions of Self-Government, particularly the Kosovo Assembly, must concentrate on addressing issues that are within the constitutional mandate and focus on passing legislation for the good of all Kosovars. Divisive symbolic actions do nothing to advance Kosovars' material conditions but exacerbate relations among the communities. Dialogue among the communities — not calls for mutually exclusive approaches to the future — has to be the way ahead. We, too, are especially pleased to note the unprecedented public appeal on July 2 for minorities to return to their homes in Kosovo to live in peace.

We have strongly supported Mr. Steiner's efforts to begin a dialogue also between Belgrade and Pristina on practical issues of mutual concern, including issues identified in the Common Document. As reported in the Secretary-General's June report (S/2003/675), working-level contacts between officials of Belgrade and Pristina have already begun. That effort needs to be expanded by both sides. On a practical matter, we specifically would urge Belgrade to recognize license plates and encourage Kosovo Serbs to register their vehicles with the United Nations Interim Administration Mission in Kosovo (UNMIK).

The process of transferring all non-reserved powers to the Provisional Institutions by the end of this year is an important step in implementing resolution 1244 (1999). We are pleased that UNMIK is moving forward with developing a work plan on the benchmarks, as requested by the Council in February. For its part, the United States is providing technical assistance to develop the work plan and believes that the plan will be a major step in assisting the Provisional Institutions to define what they need to accomplish in order to create a multi-ethnic society with a functioning market economy.

Focus on "standards before status" is still important and is the basis for the way ahead. The standards lay out the road to a better future for all Kosovars, and UNMIK and Mr. Steiner's successor will have the full support of my Government in getting down that road.

Mr. Zhang Yishan (China): I wish to congratulate your country, Madame, on presiding over the Security Council for this month. The Chinese delegation will fully support your work. I also wish to take this opportunity to express our thanks to the Russian delegation for presiding over the Council last month. I thank Ambassador Lavrov for his diplomatic skill, which led to the successful completion of the Council's work for last month.

The Chinese delegation thanks the Secretary-General for his report (S/2003/675) and Mr. Steiner for his briefing. Over the past year, Mr. Steiner has led the efforts of the United Nations Interim Administration Mission in Kosovo (UNMIK) to restore social stability and economic development in Kosovo. He has made a tireless effort. We express our appreciation for that.

We are pleased to note that over the past several months the situation in Kosovo has shown progress. The Transfer Council is up and running. The Kosovo Police Service has set up the unit against organized crime. UNMIK has decided to establish a special board to monitor the Kosovo Protection Corps. That deserves our positive appraisal.

At the same time, we are concerned at the slow progress in national reconciliation and in the establishment of a multi-ethnic society in Kosovo. As the Secretary-General pointed out in his report, violence and crimes against ethnic minorities are still taking place. Ethnic minorities, especially Serbs, find that there are still difficulties ensuring their freedom of

movement and that their mass return to their homeland is difficult. They still encounter problems in using their own language and in participating in politics and public life. To make Kosovo a genuinely democratic and tolerant society, such a situation should be reversed at an early date.

We have noted that yesterday the Serbian leaders in Kosovo invited all internally displaced persons and refugees to return to their homes. We have taken note of that appeal. We hope that the parties concerned will take practical actions so that all refugees and internally displaced persons can return to their homes at an early date and in decent conditions.

The settlement of the issue of Kosovo ultimately depends on dialogue and cooperation between the Government of Serbia and Montenegro and the Kosovo Provisional Institutions of Self-Government. We welcome the willingness to cooperate shown by the leaders of both sides. It is a positive sign. We hope that with the support of the international community, both sides will maintain dialogue and gradually find a proper solution to outstanding issues in order to achieve long-term peace, stability and development in Kosovo.

China has always been concerned by the situation in Kosovo and in the Balkan region in general. The Vice-Minister of Foreign Affairs of China will soon visit Serbia and Montenegro and he will go to Kosovo to establish contacts with the local parties. We will continue our own efforts for the full implementation of Council resolution 1244 (1999).

Mr. Khalid (Pakistan): I wish to extend our warm congratulations to you, Mr. President, and our best wishes on your assumption of the Council presidency for this month, and to assure you of the full cooperation of the delegation of Pakistan. I also avail myself of this opportunity to express our gratitude to Ambassador Lavrov and the Russian delegation for effectively conducting the presidency last month.

We welcome Mr. Steiner into our midst. We are grateful for his briefing but regret that this will be the last such briefing which he gives to the Council in his present capacity. We hope that this will not be his last appearance in this Chamber.

In spite of our own viewpoint on the standards versus status approach, Pakistan has always supported and will continue to support the United Nations Interim Administration Mission in Kosovo (UNMIK) as it works to implement the resolutions of the Security Council, particularly resolution 1244 (1999).

With regard to the situation in Kosovo, I shall limit my remarks to some key findings of the Secretary-General's report.

First, we welcome the transfer of some non-reserved responsibilities listed in chapter 5 of the Constitutional Framework to the Kosovo Provisional Institutions that have taken place. We are also pleased to note the transparent, inclusive and responsible nature of decision-making by the Kosovo Civil Service with regard to the implementation of those new responsibilities.

Secondly, we welcome the encouraging signs of growing readiness on the part of Kosovo's leaders to back minority returns, while noting that more needs to be done to ensure that this commitment translates into concrete backing and support for the returns process throughout Kosovo's Provisional Institutions. In that regard, we welcome the issuance of the open appeal yesterday.

Thirdly, we support Mr. Steiner's initiative to begin the dialogue on practical matters between Belgrade and Pristina, and we welcome the positive indications from both sides to initiate those talks.

Finally, we agree with the Secretary-General that the rule of law remains a central challenge. Much has been achieved by the painstaking work of UNMIK under Mr. Steiner and his predecessor. Yet still more work needs to be done to build on those achievements.

By all accounts, we regard the latest report of the Secretary-General on UNMIK as Mr. Steiner's report card. Given the difficult situation and political environment of Kosovo, Mr. Steiner has passed with flying colours. However, the recent achievements of UNMIK must not blind us to the problems that remain. We regret the divisiveness and mistrust that still prevail in Kosovo, as well as the lack of cooperation by key communities, especially in the Provisional Institutions. We also regret the establishment of parallel institutions. In a place where bridge-building is required, there is no place for bridge watchers.

We condemn all violence against civilians, present or past. Impunity must not be tolerated. We call for the removal of all obstacles that hinder the right of refugees to return in peace and safety and with dignity.

We believe that Kosovo will not truly recover from its present situation without sustained assistance for its economic growth and development. Those are the challenges that still remain before us.

Let me conclude by conveying my delegation's best wishes to Ambassador Steiner and by wishing him luck in his next important assignment.

Mr. Mekdad (Syrian Arab Republic) (*spoke in Arabic*): Allow me at the outset to congratulate you, Sir, on your assumption of the presidency of the Security Council. We express our full support for all your efforts for the maintenance of international peace and security. We thank Ambassador Lavrov and the friendly delegation of the Russian Federation for their efforts last month to carry out the tasks of the Council.

We welcome Mr. Michael Steiner. We have heard his briefing at the opening of this meeting, a very detailed and thorough statement on all aspects of the situation in Kosovo. In particular, he provided us with the details of the successes achieved during the past 18 months and of the obstacles that continue to impede full implementation of resolution 1244 (1999). The delegation of the Syrian Arab Republic wishes to reaffirm to Mr. Steiner its deep appreciation for his efforts to obtain the release of prisoners and to restore the political process in Kosovo, which will lead to the establishment of civilian institutions there. We agree with Mr. Steiner in his assessment of the positive aspect represented by the open appeal addressed to all displaced persons in Kosovo and the hopes and objectives contained therein.

My delegation expresses its satisfaction with the Secretary-General's report (S/2003/675) on the work done by the United Nations Interim Administration Mission in Kosovo (UNMIK), submitted pursuant to resolution 1244 (1999), which is now before us.

My delegation welcomes the transfer of powers to Provisional Institutions, in accordance with chapter 5 of the Constitutional Framework, which will make it possible to strengthen the capacity of the Provisional Institutions to assume new responsibilities. The Government of Kosovo took 27 decisions in that regard during the period covered by the report, 12 of which relate to legislation. The Kosovo Assembly made great progress in forwarding legislation to the Special Representative of the Secretary-General for promulgation following revision. The municipal assemblies have also made great efforts to adopt legislation, which has been slow.

We must also protect vulnerable groups and women and encourage them to participate in public life, in accordance with the action plan known as "Community Proportional Representation", put forward by the Special Representative of the Secretary-General and the Kosovo Prime Minister last year.

My delegation reaffirms the need to pursue dialogue between Belgrade and Pristina regarding practical matters to be resolved, and we are pleased to note that the United Nations Office in Belgrade began its work on 1 July 2003.

My delegation also supports the Secretary-General's comments in his report that the challenges faced by UNMIK must be met by working in the framework of the "standards before status" policy, as explained by Mr. Steiner.

Finally, my delegation welcomes Mr. Steiner's efforts and contribution to UNMIK. We congratulate him on the progress made during his mandate and wish him every success in his future work once he has completed his task as Special Representative of the Secretary-General in Kosovo.

Mr. Tidjani (Cameroon) (*spoke in French*): I should like once again to convey to you, Sir, my delegation's congratulations on your accession to the presidency for this month. We would like once again also to express our deep appreciation to Ambassador Lavrov and his colleagues for the outstanding manner in which they guided our work in June.

I should like also to thank Mr. Michael Steiner for his introductory statement, which provided further information on numerous items included in the Secretary-General's most recent report on Kosovo. That report and the additional statement made by Mr. Steiner put forward — four years after the adoption of resolution 1244 (1999) — a comprehensive stock-taking of the efforts of the international community and the United Nations to normalize the situation in Kosovo through the establishment or restoration of functioning democratic institutions; the creation of an increasingly safe environment in which efforts are being made to ensure genuine participation for all, including minorities, in managing affairs of State; and the carrying out of reforms necessary for the relaunching of the economy.

This exercise in stock-taking was necessary to enable us to evaluate the effectiveness of the strategy of standards and benchmarks that emerges from resolution 1244 (1999). My delegation is indeed satisfied with the results.

There is no doubt that significant progress has been made in Kosovo. Relative peace has been restored in the province, and elections have taken place that have given rise to institutions which, as I emphasized earlier, are more or less functional. The Kosovo Police Service, trained by the United Nations Interim Administration Mission in Kosovo (UNMIK), is now operational, and a stable market economy is gradually coming into existence. The return of minorities and displaced persons is no longer a taboo subject. On the contrary, more and more voices are being heard speaking publicly in favour of this process.

Contacts, albeit limited, have taken place between Belgrade and the Provisional Institutions in Kosovo, which are also engaged in a dialogue with UNMIK.

Kosovo, as the Secretary-General notes in his report, is making progress towards substantive autonomy and genuine self-administration, as spelled out in resolution 1244 (1999).

The progress and successes achieved — which, indeed, can be credited to the United Nations and to the entire international community — remain precarious because of numerous problems, which are described in detail by the Secretary-General in his report. Mr. Steiner, too, noted several of these.

These ongoing problems — and my delegation has stated this previously — result from internal feuds fuelled by partisan rivalry, which provide a breeding ground for intolerance, hatred and issues of identity, all of which tend to lead to insecurity, injustice, violence and hatred, thereby slowing down constructive dialogue and delaying the re-establishment of that confidence which is a prerequisite for the peoples of Kosovo.

Given that scenario, how can one not be discouraged? How can these efforts be continued, when extremists of all types are working tirelessly to undermine the foundations of the state of law which is slowly and carefully being built by men and women of good faith, who have come from distant lands to help the people of Kosovo, who have only one desire — a normal life. That aspiration allows the people to remain hopeful that one day they will live in a reconciled society in which all people can work hand in hand with their neighbours, in a spirit of solidarity, in building their common destiny.

That is why we believe that the United Nations and the international community as a whole must further strengthen their presence among the people of Kosovo to help them to meet the challenges and overcome the difficulties confronting them.

I should like to reiterate the dedication of my country, Cameroon, to the principle of "standards before status". Let me also appeal to all political and administrative officials, to all those involved in shaping public opinion in Kosovo, and to civil society there to draw inspiration from, inter alia, the outstanding work done in restructuring the police, the result of which is an ethnically balanced police force. They must refrain from any actions that might kindle strong sentiments and thereby undermine the process of building a multi-ethnic and multicultural civil society.

My delegation welcomes the appeal issued yesterday in Pristina for the return of displaced persons to Kosovo. That is the kind of news that we hope to be receiving more often.

I should like now to recall the need for a frank and constructive dialogue with Belgrade. Such a dialogue is crucial. It must be held in a spirit of calm and tranquillity, with respect for international law and for the relevant resolutions of the Security Council.

Finally, I should like to pay a well-deserved tribute to the Special Representative of the Secretary-General, Mr. Steiner, for his selfless work, his leadership, his commitment to the implementation of resolution 1244 (1999), his unstinting dedication to bring back to Kosovo the basic human values of tolerance, respect for one another, and the acceptance of differences.

I should like also to express my delegation's appreciation to his entire team, which, courageously and clear-sightedly, is endeavouring to assist the people of Kosovo to establish new relations through new and innovative structures, with the ultimate objective of a reign of peace, stability, harmony and prosperity for all.

Mr. Lucas (Angola): Sir, please accept our congratulations on your assumption of the presidency of the Council. You may count on our full support and

cooperation. We take this occasion also to congratulate Ambassador Lavrov and the Russian delegation for the excellent work performed during the Russian presidency of the Council during the month of June.

We thank the Special Representative of the Secretary-General in Kosovo for his comprehensive report on the situation in the territory. We praise the outstanding work done by Mr. Michael Steiner as head of the mission and the remarkable achievements of the United Nations Interim Administration Mission in Kosovo (UNMIK) under his leadership, with a view to laying the foundations for the future definition of the territory's status.

My delegation is continuing to follow closely the situation in Kosovo, and we acknowledge the progress that has been made in the political process since the adoption of resolution 1244 (1999). In this respect, we would like to make some brief comments.

We recognize that Kosovo still has a long way to go before it achieves the goal of establishing stable and effectively functioning multi-ethnic and multicultural democratic institutions allowing the full participation of minorities, which are an integral part of the social matrix of Kosovo.

The current transfer of responsibilities from the United Nations Interim Administration to the Provisional Institutions is an encouraging development towards self-government in Kosovo, notwithstanding the continued fragility of these institutions.

The Assembly of Kosovo, according to the Secretary-General's report, has improved its functional performance significantly. The adoption of several pieces of legislation and an apparent understanding of legislative limits within the responsibilities determined by the Constitutional Framework give credit to the enhanced quality of its work.

A fundamental issue is the rule of law as a prerequisite to the realization of a democratic State, entailing respect for fundamental human rights and freedoms. In this regard, we strongly condemn the acts of violence committed against members of the Serbian community and particularly the killings that took place last month in Obilic.

We take note of the increasing number of returns by members of the minority, reflecting the greater commitment of local authorities and the improvement of structures facilitating the returns. We fully share the view expressed in the Secretary-General's report that

> "the process of return and reintegration can be successful and sustainable only if coupled by a genuine willingness on the part of the majority community and minority communities to work together" (*S/2003/675, para. 63)*

and with a common sense of purpose.

We urge Kosovo's leaders to ensure the necessary revitalization of the peace process in all its dimensions with a view to implementing the agreed framework. We deem it essential that a constructive dialogue on practical matters of mutual interest between Belgrade and Pristina be intensified and further extended to political issues, and that concrete results are achieved.

We encourage the United Nations Interim Administration Mission in Kosovo and the Special Representative to maintain their consistent position and to continue working for the attainment of the goals set in resolution 1244 (1999) and the Constitutional Framework.

I shall conclude by reiterating that the policy of "standards before status" is, in our view, a consistent strategy in framing the future of Kosovo. We encourage all parties involved in the process to work for peace and stability with a view to creating a multi-ethnic and democratic society embracing all the people and ethnic communities of Kosovo.

The President (*spoke in Spanish*): I shall now make a statement in my capacity as representative of Spain.

I am grateful for the comprehensive statement made by Mr. Steiner. Spain fully supports the statement shortly to be made by the representative of Italy.

The key conclusion of the Thessaloniki summit was that Europe would remain incomplete without the Balkans and that Kosovo must be integrated into the Balkans and the Balkans into the European Union. To that end, however, it is essential that democracy, tolerance, the rule of law and respect for human rights prevail.

Kosovo is still far from achieving those goals, despite progress. We are concerned about the lack of security, and especially about attacks upon minorities. Those attacks hinder the return of displaced persons

and refugees, which is critical to the creation of a genuinely multi-ethnic society.

The Provisional Institutions of Self-Government must be devoted exclusively to matters within their purview that affect all the people of Kosovo. The transfer of competences must be gradual and take into account the true capacity of the Institutions to assume responsibilities.

Spain continues to view with concern the attitude of Albanian Kosovar leaders who publicly advance positions contrary to resolution 1244 (1999). Moreover, it is necessary to encourage more active participation by non-Albanian Kosovars in the work of the Assembly and the Transfer Council.

We also condemn any attempt to create mono-ethnic institutions and we appeal for the dismantling of parallel administrative structures. In this regard, we would ask Mr. Steiner to explain the details of the plan of action that the United Nations Interim Administration Mission in Kosovo is preparing to address the issue of parallel structures.

Spain would wish to see confirmation in practice of the positive reply to the appeal made in Thessaloniki for a dialogue between Belgrade and Pristina. We hope, in conclusion, that the leaders of both parties will open such dialogue on practical matters in a constructive spirit as soon as possible.

I now resume my functions as President of the Security Council.

I give the floor to the representative of Serbia and Montenegro.

Mr. Šahović (Serbia and Montenegro): I would like to congratulate you, Sir, on your assumption of the Council presidency for the month of July and to thank you for convening this meeting. I also wish to express the appreciation of my delegation for the work of the Russian Federation presidency last month.

We are grateful to the Secretary-General for his report and thank his Special Representative, Mr. Michael Steiner, for the briefing he provided today — his final one in this capacity. I would like to wish him every success in his new, important post.

Three weeks ago, we had the opportunity to analyse the situation in Kosovo and Metohija after four years of the international presence. Unfortunately, our analysis differs from that we have just heard from Mr. Steiner, but perhaps that is understandable. To describe the poor state of affairs in the province, we find it sufficient at this point to cite the recent report of the Council of Europe decentralization mission, stating that the political climate in Kosovo currently appears worse than ever since 1999. The report of the Secretary-General before us also indicates the underlying unsatisfactory conditions on the ground.

It is, however, not quite clear to us what the United Nations Interim Administration Mission in Kosovo (UNMIK) intends to do to address the outstanding difficulties. The Mission has evidently entered a delicate phase and is, in addition, awaiting a new Special Representative of the Secretary-General. My country hopes the appointment will soon be forthcoming, since there is much work yet to be done before the situation improves.

On this occasion, I would like to indicate some of the steps that we feel would need to be taken in the nearest possible future.

The Secretary-General's report states that the transfer of responsibilities to the Provisional Institutions of Self-Government is being carried out at a pace that takes into account their capacities to assume additional responsibilities. However, the analysis of the functioning of these Institutions in most cases does not offer evidence of successful performance of their basic functions.

It is therefore necessary to define transparent criteria for assessing the capabilities of the Provisional Institutions to perform tasks entrusted to them at this stage, as well as criteria and a timetable for assuming new responsibilities. As some Council members have previously proposed, a clear link needs to be established between performance and progress in the transfer of responsibilities. This would assist the process of establishing good governance in the Province.

The persistent attempts of the Assembly of Kosovo and Metohija to overstep its competencies is a serious political issue that needs to be appropriately addressed. Accountability is necessary in cases of repeated violations of the existing legal framework in the province and particularly of resolution 1244 (1999). UNMIK has to take clear and concrete measures to prevent recurrence of these attempts. Declarations of condemnation by UNMIK are obviously not sufficient to put an end to this practice.

Basic human and minority rights — including the right of minorities to use their language, access to education, health care and employment — need to be upheld in a far more vigorous manner than has been the case to date. We fully expect UNMIK, within its overall responsibility for the province, to meticulously ensure the exercise of these rights.

The majority must be held responsible for compliance with resolution 1244 (1999) and for establishing the values of a democratic, multi-ethnic society. Otherwise, it will be difficult to expect the most vulnerable, the minorities, not to reach out for help elsewhere or to try to create their own institutions.

The investigation of the triple murder in Obilic on 4 June has not yielded any results, as is the case with many other atrocities the Council might care to recall.

A more visible presence of the Kosovo Force (KFOR) and of UNMIK would deter potential attacks on members of minority groups as well as on their heritage sites. Just a few days ago, the Orthodox Church of St. Nicholas was stoned in Pristina for the second time in one month and for the sixth time this year. In addition, the Orthodox cemetery in Kosovska Vitina was desecrated, also not for the first time.

Serious and robust action by the police in apprehending perpetrators of all types of crime — including ethnically motivated crime — is a precondition for establishing the rule of law in Kosovo and Metohija. The necessity of bringing criminals to justice has been cited as a precondition for reconciliation in all crisis spots around the globe. Kosovo and Metohija is certainly no exception.

The Kosovo Protection Corps (KPC) is another problem that requires decisive action. The Secretary-General's report (S/2003/675) cites a connection between KPC and the Albanian National Army (ANA) terrorist organization. However, the KPC commander has faced no consequences for harbouring an as yet unknown number of terrorists in that nominally civilian organization. We expect a full, prompt and transparent investigation into KPC's membership and activities.

Without a breakthrough in creating a secure environment for all inhabitants, few other problems in Kosovo and Metohija can be solved. We therefore ask the Council to carefully review the plans to downsize the UNMIK Police. It is also clear that the number of international judges and prosecutors is inadequate. If the establishment of the rule of law is to be an attainable goal, their numbers will need to be increased, not reduced.

Further failure to comprehensively address security issues will also present a major impediment to the success of various initiatives aimed at giving impetus to the return process, such as the Rapid Response Returns Facility. A viable return strategy requires full cooperation on the part the Provisional Institutions, which — as the report indicates — has not been forthcoming. UNMIK needs to put that responsibility — including conditionality — more forcefully before the Provisional Institutions.

We take note of the call by Kosovo and Metohija leaders for the return of internally displaced persons. It could have been taken in good faith had it offered guarantees for a fundamental right to life for members of minority groups. A declaration of willingness to work with elected representatives of minorities rings hollow alongside an explicit statement that no one's security can be assured. That appeal says, among other things, "We cannot guarantee anyone a job, and we cannot guarantee anyone's safety".

In addition to those priorities, the new Special Representative of the Secretary-General will have before him or her the standards whose implementation the Council has called for so many times. The obvious necessity of making operational the benchmarks for meeting those standards has also been stated in this Chamber. It is our expectation that clear indicators will be established as a basis for measuring progress achieved by the Provisional Institutions — and UNMIK as well — in meeting all eight standards.

Decentralization is also an undertaking of strategic importance that we hope the new Special Representative will energetically pursue. We are studying the detailed report of the Council of Europe mission charged with dealing with that issue. My Government hopes for an opportunity to discuss the topic in depth with both the Council of Europe and UNMIK in the near future.

As to the question of privatization, I should like to inform the Council that we recently received a response from the Legal Counsel of the United Nations to our request for an explanation of the legal basis of regulation 2003/13, known as the "land use" regulation. In particular, given the recent assessment of the Deputy Special Representative of the Secretary-

General and head of UNMIK's European Union Pillar that the regulation is critical to the political future of the province, we hope that the Council will devote more attention to this issue, as proposed during the most recent debate on this item (see S/PV.4770). It is our firm belief that a process of such importance as privatization should not, at its very outset, be burdened by doubts as to its legality. Therefore, we are ready for a constructive discussion with UNMIK on the matter.

With the appointment of a new Special Representative, we will also be looking forward to a speedy improvement in our cooperation with UNMIK. We believe that the Common Document of November 2001 and the existing High-Ranking Working Group continue to be the best framework; this does not indicate any intent to seek co-governance with UNMIK, but shows our unreserved willingness to help improve the situation.

Finally, allow me to reiterate our position on dialogue with Pristina. Over a period of time, my country has consistently expressed its readiness for the commencement of such a dialogue. Now, it seems that the sustained efforts of the international community to prevail on Pristina to accept talks on practical issues have yielded results. We believe that a dialogue should focus on issues such as security, returns, energy and transport. We hope that the United Nations, the European Union and members of the Contact Group who are willing to do so should be involved in the process with a view to establishing mechanisms to ensure both the constructiveness of the dialogue and the effective implementation of any agreed measures.

The President (*spoke in Spanish*): The next speaker inscribed on my list is the representative of Italy. I invite him to take a seat at the Council table and to make his statement.

Mr. Spatafora (Italy): I have the honour to speak on behalf of the European Union. The acceding countries Cyprus, the Czech Republic, Estonia, Hungary, Latvia, Lithuania, Malta, Poland, the Slovak Republic and Slovenia, the associated countries Bulgaria, Romania and Turkey, and the European Free Trade Association countries members of the European Economic Area Iceland and Liechtenstein declare that they align themselves with this statement.

Since this is the first time that I have taken the floor under your presidency, Sir, allow me first to congratulate you on the assumption of your duties and to wish you success during your term of office. I should also like to extend my congratulations to the previous President, the Permanent Representative of the Russian Federation, Ambassador Lavrov, for his excellent work.

We welcome the briefing by the Special Representative of the Secretary-General for Kosovo, Mr. Michael Steiner, and we should like to express our most sincere appreciation for the work he has done to achieve full implementation of Security Council resolution 1244 (1999).

The strong commitment of the European Union to the Western Balkans region was confirmed at the European Union-Western Balkans Summit, held at Thessaloniki on 21 June. On that occasion, the European Council — as we have recalled here — reaffirmed its determination to fully support the European perspective of the Western Balkan countries, which will become an integral part of the European Union family once they meet the established criteria. A Stabilization and Association Process enriched with instruments drawn from the European Union's pre-accession strategy will be at the centre of our action, whose pace will depend on the determination of each of the countries concerned to introduce and implement the necessary reforms. The Thessaloniki Declaration and Agenda for the Western Balkans, which were adopted at the Summit, provide the framework for moving towards European Union integration. It will be up to the Italian Presidency to begin to translate into concrete action the political commitments undertaken by the European Union at Thessaloniki.

The European Union will ensure that Kosovo's European prospects are not held back by the issue of final status. But, before that, a democratic, multi-ethnic and multicultural Kosovo, with full respect for the rule of law and for human and minority rights, will have to be built. To that end, the European Union and the Western Balkan countries reaffirmed in the Summit Declaration their support for the full implementation of resolution 1244 (1999) and for the "standards before status" strategy, which remain the bases of European Union policy in Kosovo.

In that context, as Secretary-General Kofi Annan stated in his report of 26 June (S/2003/675), much remains to be done to ensure active assistance for the return process at both the central and the local levels. The European Union supports Kosovo's economic

recovery and development, and it reconfirms its commitment to get the privatization process under way. The European Union also welcomes the willingness of the leadership in Belgrade and Pristina to begin a direct dialogue on practical issues of mutual interest, and it hopes that such a dialogue can be launched as soon as possible.

Political stability in Kosovo requires democratic, stable and functioning local institutions. We therefore fully support the transfer of competencies to the Provisional Institutions of Self-Government set out in chapter 5 of the Constitutional Framework, depending on the capacity of the Institutions to handle them. Our common objective is to build effective, transparent and accountable institutions for the benefit of all communities while adhering to the obligations stemming from resolution 1244 (1999) and the Constitutional Framework and without prejudice to Kosovo's future status.

The President (*spoke in Spanish*): The next speaker inscribed on my list is the representative of Japan. I invite him to take a seat at the Council table and to make his statement.

Mr. Haraguchi (Japan): I would like to thank you, Mr. President, for convening this open meeting concerning the situation in Kosovo. I would also like to thank Special Representative of the Secretary-General Michael Steiner for his presentation. Allow me to take this opportunity to commend him for the achievements made during his tenure, and to express the hope that his successor will be appointed as early as possible.

As the continued instability in Kosovo has the potential to negatively affect the security of, and economic development in, neighbouring areas, ensuring the stability and prosperity of Kosovo is of vital importance to South-Eastern Europe as a whole. In that belief, the Government of Japan has supported the peace implementation process in accordance with Security Council resolution 1244 (1999).

Thanks to the efforts of Mr. Steiner and the United Nations Interim Administration Mission in Kosovo (UNMIK), Kosovo has made significant progress. However, major challenges remain to be addressed — including the strengthening of the rule of law, especially as regards improved security and freedom of movement for all, and the matter of the return of refugees and internally displaced persons — before the goal of building a democratic and multi-ethnic society can be achieved, a society in which the basic human rights of all people are respected regardless of their ethnic background and in which all communities can participate fairly in the political process. Therefore, what is important at this stage is to work steadily to address those challenges, rather than hastily discussing the future status of Kosovo.

My Government has supported the "standards before status" policy advocated by the Special Representative, and hopes that the Provisional Institutions of Self-Government will make further efforts to solve those problems.

There are two major issues to resolve in confronting those challenges: the transfer of responsibilities from UNMIK to the Provisional Institutions, and establishing a dialogue between Kosovo's Provisional Institutions and the Government of Serbia and Montenegro. We support the Secretary-General's policy of a phased transfer, taking into account the limited capacity of the Provisional Institutions and the need for them to be held accountable for Kosovo's population. Regarding the dialogue between Pristina and Belgrade, my Government welcomes the news that, on the occasion of the EU-Western Balkans Summit in Thessaloniki, the leaders of both sides have agreed to hold discussions on practical issues. We hope that such direct talks will start soon and that constructive dialogue will take place.

The existence of violence and organized crime in Kosovo has not only made the region a hotbed for illicit weapons trafficking and ethnically motivated crime, it has also had had a negative impact on the economy as a whole. Security-related incidents such as the murder in Obilic and the bombing of a railway bridge in Zvecan may be undermining the process of reconciliation in Kosovo, towards which we are all working. It is therefore important that the international community extend assistance for ethnic reconciliation, including funds for the eradication of organized crime and further improvement of the security situation. The Japanese Government has previously extended humanitarian and reconstruction assistance in various areas — including for the return of refugees and internally displaced persons, housing and electricity — and has recently decided to contribute to the small arms control programme in Kosovo and the project aimed at achieving reconciliation in Obilic.

In closing, I would like to assure the Council that Japan remains determined to continue to make a positive contribution to the stability and prosperity of Kosovo.

The President (*spoke in Spanish*): The next speaker inscribed on my list is the representative of Albania. I invite him to take a seat at the Council table and to make his statement.

Mr. Nesho (Albania): Our delegation welcomes the presence of the Special Representative of the Secretary-General for Kosovo, Mr. Steiner, at today's very special meeting.

At the very outset, allow me to express the support of the Albanian delegation for the report of the Secretary-General (S/2003/675) on the democratic and integration processes in Kosovo. Our delegation commends the significant achievements that have been made and takes note of the remaining problems in Kosovo, both of which are well defined in the report. The problems are related to, among other things, the functioning of a multi-ethnic society, the strengthening of the rule of law and the return of the displaced persons. It is of great importance that we all recognize the undeniable reality that there have recently been encouraging developments in Kosovo despite the fact that the progress achieved is not yet at the same level in every aspect of life.

In evaluating the progress, we share the opinion and concerns of both UNMIK and local representatives that there are still problems and areas that require serious commitment. Enhancing democratic institutions and respect for the norms of a multi-ethnic society, the promotion of a stable and developed market economy, the return of displaced persons, and the strengthening of regional cooperation and the processes of European integration remain the main challenges requiring the attention of Kosovo's governing authorities.

The progress and achievements in Kosovo reflect the great contribution made by UNMIK's administrator, Mr. Steiner, during his tenure. Thanks to his vision, his abilities as an experienced politician and his determination to raise the necessary issues at the right time, he has succeeded in implementing the policy of the international community and in accomplishing his important mission in Kosovo. We thank him for his leadership.

The Albanian Government commends the considerable achievements of UNMIK and its administrator, Mr. Steiner, for, among other things, their efforts to establish and enforce Kosovo's Provisional Institutions of Self-Government, to hold successful local democratic elections, and to initiate and carry out the process of transferring powers to Kosovo's provisional institutions.

Our Government has supported the initiative of the Special Representative of the Secretary-General to institutionalize the inclusion and active participation of Kosovo in democratic and integration processes. We take this opportunity to commend in particular the participation of representatives of Kosovo's Institutions at the European Union Summit held in Thessaloniki, Greece. We believe that this inclusive and integrated policy should continue and that it should represent a trend with regard to international institutions and organizations, in order to prevent marginalized and isolated zones in the Balkans. Similarly, the same willingness should be demonstrated in encouraging Kosovo's full and speedy integration into common regional, European and international structures.

The initiation of a dialogue between Pristina and Belgrade is an important and necessary element in meeting the standards set out by the international community for Kosovo's European integration. We believe that both representatives of Kosovo's Institutions and Belgrade officials will demonstrate the appropriate understanding, good will and maturity to discuss and encourage solutions on various practical issues of mutual interest. We are of the opinion that the mediation and assistance of international institutions is still necessary to ensure the success of this crucial process.

It is important that this process should advance, as the improvement of the inter-ethnic dialogue will facilitate the speedy return of displaced persons to Kosovo. In the meantime, members of minorities should resist the influence of outside politics and interference and should consider themselves to be an integral part of the multi-ethnic political and social society of Kosovo.

The fulfilment of standards and the definition of the final status of Kosovo, in respect for the will of the people for self-determination, are interdependent and interrelated processes. The involvement of the international community should guarantee those

processes, with the aim of promoting sustainable stability, the spirit of peace and security in the Western Balkans and its integration into Europe.

The President (*spoke in Spanish*): I now give the floor to Mr. Steiner to respond to comments and questions addressed to him.

Mr. Steiner: First of all, with respect to Obilic, what took place there was an atrocious crime. A father of 80 years of age, his wife of 78 years of age and their son aged 53 were brutally mistreated and murdered. I was at the site of the crime. I saw the sister of the murdered son, who arrived on that exact same day because she had the intention of coming back to Obilic, where inter-ethnic relations are quite good. She had the intention of coming back to that place from Serbia because she was encouraged by the progress. Now she had to come back under those circumstances. It was atrocious, no doubt about that.

What has been done after Obilic? With the support of the leaders of the larger parties, the next day the community declared a day of mourning. The news broadcast of the main television station, which is normally from 7.30 to 8.00, dedicated 20 minutes to that incident. Not one leader in Kosovo failed to express himself clearly in condemning the crime.

On the same day, I established a special police squad, with perhaps the best leader at its head — it now comprises 16 police specialists — in order to catch those who are responsible for the crime. But we must respect the fact that the police can act only on the basis of the rule of law. The police have to respect the requirements we want to introduce into Kosovo. Of course, it is sometimes difficult to get progress under those circumstances. I hope that we get progress soon. I can only say that 50 per cent of the work of the Police Commissioner, Stefan Feller, is concentrated on that specific issue. We have increased the 24-hour presence of the Kosovo Force (KFOR) and of the United Nations Interim Administration Mission in Kosovo (UNMIK). I have offered a reward of 50,000 euros for information leading to the capture of the perpetrators. We are really doing everything we can to catch the perpetrator, which is also in our own interest. I would also like to appeal to everyone present, specifically those from the region, not to prejudge the outcome and to avoid any politicization of that heinous crime.

Secondly, the Council of Europe was mentioned, which in its most recent report indeed stated that the political climate is very bad. But let us look at the reasons that the Council of Europe mentions. The Council of Europe says that the reasons for this difficult political climate are, yes, statements in the Assembly that are not within the mandate of the Assembly; and yes, for example, the "war values" resolution to which, as the Council knows, I have reacted.

But then the report mentions other reasons why the climate is so bad. It mentions an election campaign in Belgrade, the withdrawal of the Kosovo Serbs from the Assembly and the inclusion of Kosovo in the preamble of the Constitution of Serbia and Montenegro. It also mentions a change of policy in Serbia, the constant demands for the partition of Kosovo, divisive statements from politicians and provocative language concerning the possibility of a renewal of hostilities.

This is what we have to see: I think if we want to have the right political climate, all the political leaders have a responsibility to leave the past behind. I am thinking along the lines of the statement on return that we have mentioned here, and which so many Council members have also welcomed.

I would like briefly to address three points that were mentioned by Council members. The first was Spain's mention of what we are doing about parallel structures. In a functional way, parallel structures are a problem mainly because they are still financed. When we found out that the financing of the parallel structures from the outside was occurring clandestinely, the director of the tax administration wrote a letter to his counterpart in Belgrade, making it clear that the clandestine money coming over the boundary line into Kosovo represented a violation of the money-laundering provisions enforced in Kosovo. Therefore, we must make it clear that if any more money comes in that is not publicly declared to the UNMIK institution — money coming in clandestinely, financing parallel structures — we have to react in accordance with the provisions of the money-laundering legislation.

Secondly, Mexico raised the issue of the policy on privatization. Last year, at the rightful insistence of the Council, after long negotiations, we finally agreed on a concept for how privatization can work in Kosovo, taking into account, first, the fact that the issue of status has not been solved and, secondly, the fact that no one knows who owns socially-owned companies.

There are all sorts of legal opinions from lawyers. Our conviction was that if we waited until the question was clarified, all assets in the form of socially-owned companies would be stripped and there would no longer be any assets. We had to react. We had to start privatization.

We therefore had the legislation that was agreed upon by lawyers from United Nations Headquarters, the European Commission and the World Bank. We have a concept that takes care of the interests of the potential owners of socially-owned companies and which respects the fact that the issue of status is not solved. However, privatization must provide an answer to the question of what happens to the land used by socially-owned companies. There cannot be privatization if no answer is provided on how land is to be used, because that is the most valuable asset. We have discussed this very difficult question with lawyers of the European Commission, the World Bank and, of course, United Nations Headquarters. We arrived at a concept affirming that there would be no transfer of land when carrying out privatization, but that it would be done in the form of 99-year leases. Economically, that represents the same value as a property transfer, but it still respects the fact that the issue of ownership has not been resolved and still respects the residual property rights of the potential owner, whom we do not know.

Privatization without addressing what is done with the land on which a socially owned company is sitting is not privatization. It makes no sense. No one buys a company whose land cannot be used. It has no value without the land. So we had to address that, and we have addressed it in a way that, I think, is satisfactorily under the legal requirements and the ownership requirements of potential owners. Andy Bearpark, the pillar leader, was in Belgrade; we discussed this with the responsible minister of the Government in Belgrade and there was agreement on it.

The final concept, before we issued the regulation, was voted on by the Board of the Kosovo Trust Agency, which is responsible there. All ethnicities are represented on that Board, including a Kosovo Serb representative. They all voted in favour, including the Kosovo Serb Minister for Agriculture, who is the Serb representative. We did this in full transparency and in a way that can work, if one really wants to have privatization.

Let me also address the point mentioned by the Russian representative concerning an article in *Bota Sot*, one of the newspapers there. It was an atrocious article, which alleged that Russia might be behind the Obilic murders, which, of course, was absurd. We reacted to that. We have a Media Commissioner. The Media Commissioner called in the newspaper *Bota Sot*. What has consequently happened is that the author of the article is not writing anymore and has been fired from *Bota Sot*, and the newspaper has officially apologized for the article. So our interest is, of course, if we have incidents like that — violations of fundamental rules of behaviour — that the Institutions should react; that there be an appropriate internal reaction. We had that in this case; the person who wrote the article was removed from the newspaper. The newspaper has officially apologized for the attack, and I hope that the representative of the Russian Federation will take note of that action. We were concerned, as he was. I also acted publicly when I saw that article.

At the end of my time in Kosovo and after this remarkable meeting of the Council, whose support from all sides I am very grateful to receive, let me make one final point.

What are the lessons to be drawn from what we are doing in these peacekeeping situations? What are the lessons that we can draw from Kosovo over the past four years? I think that the main lesson we can draw is that, if we do it right, it can be done. It will take a long time, but it can be done. One of the preconditions is that the parties should see that if we try to stay the course, despite the criticism from the various sides, we are supported by the international community, and in this case especially by the Security Council We are confronted by centrifugal forces on the ground, which is no surprise, because the parties have different views on Kosovo's future. In that situation, it is absolutely crucial for us to be able to say that we have the support of the international community. One cannot overestimate the power of general consensus coming from the central organ of the international community: the Security Council. That was my daily experience in Kosovo and throughout the region. That is, in the end, our real strength as a mission on the ground, because, in the end, we are an instrument of the Security Council and we are there to execute its policy and attain its goals.

I think what concerns the international community and those who guide us and who have

dispatched us — and I think this is the most important lesson — is that, if you start to do something, you have to finish it. In that sense, I would be very grateful if the Council would extend to my successor and to the members of this mission, who work hard on the ground — and no one sees what happens on Saturdays, Sundays and holidays, under circumstances that are not the best, as is known — the support given to me during this year and a half to my successor and the mission.

The President (*spoke in Spanish*): I thank Mr. Steiner for his clarifications and thoughts offered at the end.

There are no further speakers on my list. The Security Council has thus concluded the present stage of its consideration of the item on its agenda.

The meeting rose at 12.30 p.m.